



Department of Energy
Idaho Operations Office
 850 Energy Drive
 Idaho Falls, Idaho 83401-1563

July 11, 2001

Charles Findley, Acting Administrator
 EPA Region 10
 1200 Sixth Avenue
 Seattle, Washington 98101

C. Stephen Allred, Director
 Idaho Department of Environmental Quality
 1410 North Hilton
 Boise, Idaho 83706

Beverly A. Cook, Manager
 Idaho Operations Office
 850 Energy Drive
 Idaho Falls, Idaho 83401

SUBJECT: July 10-11, 2001 meeting on Pit 9 Schedule Extension Dispute

To the Senior Executive Committee:

Representatives from the Idaho Department of Environmental Quality, Environmental Protection Agency, Region 10, and Department of Energy met in Idaho Falls on July 10-11, 2001. The objective of the meeting was schedule and cost improvement through consideration of the DOE proposal of 6/25. Below is a statement from each agency lead concerning the results of the meeting.

IDEQ, Orville Green – Our objective was to cooperatively develop consensus on an accelerated schedule for the Pit 9 project consistent with the framework outlined in the May 23rd letter from Messrs. Findley and Allred to Ms. Cook and Mr. Bergholz. Should acceleration of the schedule not be possible, convincing documentation from DOE that could demonstrate tangible impacts to its cleanup schedule, was expected.

Neither objective was realized during the July 10-11, 2001, face-to-face session. DOE stated that they expect no significant acceleration of the schedule. Moreover, it was indicated that a detailed analysis of the effect of DOE's proposed design changes could not be produced for three months. Throughout the discussions DOE maintained that budget limitations significantly impact project schedule. However, based on the existing information, we were not able to conclude what contribution existing budget and future budget assumptions played in the proposed schedule and what aspects of the schedule are limited by practical engineering and construction considerations.

EPA, Wayne Pierre – Given the amount of detailed evaluation necessary to support DOE's assumptions and activities, in addition to DOE's brainstorming proposals that may have a

positive cost impact, it appears that more time will be required (up to 3 months) to make further progress towards reaching a consensus. The proposed opportunities must be evaluated relative to their impact on existing design deliverables, operations, costs, and schedule. This information was not available during the July 10 and 11 meeting.

DOE-ID, Kathleen Hain – DOE presented schedule improvement opportunities and SEC representatives provided comments and requested additional analysis. DOE stated that 90 days should provide sufficient time to complete the proposed analysis.

Next Steps

DOE will provide the detailed activity schedules that support the February 26, 2001 requested milestone schedule extension and will provide supporting information identified during the meeting as being helpful to agency understanding. This will be delivered as soon as possible but no later than July 18, 2001.

Within 90 days, if the SEC agrees, DOE will provide a detailed analysis of the proposed design changes for cost and schedule opportunities. If agreed, additional time will be needed for agency review and consensus (e.g.; 30 days).

Sincerely,

The SEC representatives

Kathleen E. Hain
Walter J. [unclear]
Walter D. Green